

SEEKHAVEN FAMILY CRISIS CENTER, INC.

FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2005

SEEKHAVEN FAMILY CRISIS CENTER, INC.
TABLE OF CONTENTS
AS OF JUNE 30, 2005

	<u>PAGE</u>
<u>OPINION</u>	
Independent Auditors' Report	1
<u>EXHIBITS</u>	
EXHIBIT A	
Statement of Financial Position as of June 30, 2005	2
EXHIBIT B	
Statement of Activity and Changes in Net Assets for the Year Ended June 30, 2005	3
EXHIBIT C	
Statement of Functional Expenses for the Year Ended June 30, 2005	4-5
EXHIBIT D	
Statement of Cash Flow for the Year Ended June 30, 2005	6
Notes to Financial Statements	7-11
<u>AUDITORS' REPORT ACCORDING TO GOVERNMENT AUDITING STANDARDS</u>	
Auditors' Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	12-13

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Seekhaven Family Crisis Center, Inc.
Moab, Utah 84532

We have audited the accompanying statement of financial position of Seekhaven Family Crisis Center, Inc. (a nonprofit organization) as of and for the year ended June 30, 2005, and the related statements of activities, functional expenses and cash flows as listed in the table of contents. These financial statements are the responsibility of the Center's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Seekhaven Family Crisis Center, Inc., as of June 30, 2005 and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated October 11, 2005 on our consideration of Seekhaven Family Crisis Center, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

SMUIN, RICH & MARSING



Price, Utah

October 11, 2005

SEEKHAVEN FAMILY CRISIS CENTER, INC.
STATEMENT OF FINANCIAL POSITION
AS OF JUNE 30, 2005

	CURRENT FUNDS	
	UNRESTRICTED	TEMPORARILY RESTRICTED
<u>ASSETS</u>		
CURRENT ASSETS:		
Cash	\$ 129,557	
Accounts receivable - state and local government	737	\$ 44,570
Total current assets	\$ 130,294	\$ 44,570
PROPERTY AND EQUIPMENT:		
Land	\$ 40,000	
Building	160,930	
Building improvements	29,477	\$ 60,706
Equipment and furniture	30,394	53,661
Less: accumulated depreciation	(92,112)	(33,769)
Net property and equipment	\$ 168,689	\$ 80,598
Total assets	\$ 298,983	\$ 125,168
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES:		
Cash overdraft		\$ 39,038
Accounts payable	\$ 235	
Accrued liabilities	7,282	
Current portion of note payable	1,316	
Total current liabilities	\$ 8,833	\$ 39,038
Note payable, less current portion	\$ 37,419	\$
Total liabilities	\$ 46,252	\$ 39,038
NET ASSETS:		
Unrestricted	\$ 252,731	
Temporarily restricted		\$ 86,130
Total net assets	\$ 252,731	\$ 86,130
Total liabilities and net assets	\$ 298,983	\$ 125,168

"See accompanying notes and accountants' report."

SEEKHAVEN FAMILY CRISIS CENTER, INC.
STATEMENT OF ACTIVITY AND
CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2005

	CURRENT FUNDS		
	UNRESTRICTED	TEMPORARILY RESTRICTED	TOTAL ALL FUNDS
PUBLIC SUPPORT AND REVENUE:			
Public support:			
Received directly - contributions/in kind donations	\$ 63,697		\$ 63,697
Received directly - fund raisers	20,932		20,932
Total public support	\$ 84,629	\$...	\$ 84,629
Revenues:			
State and Federal grants		\$ 340,988	\$ 340,988
Other grants	\$ 10,000		10,000
Interest income	473		473
Total revenue	\$ 10,473	\$ 340,988	\$ 351,461
Total public support and revenue	\$ 95,102	\$ 340,988	\$ 436,090
FUNCTIONAL EXPENSES:			
Mentoring		\$ 170	\$ 170
Rape prevention and education		26,626	26,626
Homeless trust		29,632	29,632
Emergency shelter		35,025	35,025
VAWA		20,722	20,722
Family services		110,252	110,252
VOCA		55,197	55,197
SSBG		1,218	1,218
Altria		3,000	3,000
Utah families		549	549
Shelter services	\$ 91,837		91,837
Total functional expenses	\$ 91,837	\$ 282,391	\$ 374,228
Excess (deficiency) of public support and revenue over functional expenses	\$ 3,265	\$ 58,597	\$ 61,862
Net assets, July 1, 2004	249,466	27,533	276,999
Net assets, June 30, 2005	\$ 252,731	\$ 86,130	\$ 338,861

"See accompanying notes and accountants' report"

SEEKHAVEN FAMILY CRISIS CENTER, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2005

YEAR ENDED JUNE 30, 2005

FUNCTIONAL EXPENSES:

Payroll:

	MENTORING	RAPE PREVENTION & EDUCATION	HOMELESS TRUST	EMERGENCY SHELTER	VAWA	FAMILY SERVICES
Salaries and wages		\$ 17,308	\$ 12,153	\$ 12,885	\$ 15,639	\$ 60,503
Employee benefits		4,549	3,407	2,850	3,739	17,755
Total payroll	\$...	\$ 21,857	\$ 15,560	\$ 15,735	\$ 19,378	\$ 78,258

Other:

Contracted services		\$ 467	\$ 2,036	\$ 12,372		\$ 2,959
Telephone			618	844		1,699
Utilities			3,004	2,016		2,159
Supplies		2,063	4,574	972	\$ 251	5,481
Conference and workshops		1,674			709	894
Travel		71	150	419	384	302
Postage			193	319		57
Repairs and Maintenance			973	800		11,392
Advertising and printing			120			733
Interest						
Insurance			2,068	1,523		3,030
Fund raising						
Donations in kind						
Miscellaneous			327			611

Total other expenses	\$...	\$ 4,275	\$ 14,063	\$ 19,265	\$ 1,344	\$ 29,317
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Allocation of depreciation expense	\$ 170	\$ 494	\$ 9	\$ 25	\$...	\$ 2,677
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Total functional expenses	\$ 170	\$ 26,626	\$ 29,632	\$ 35,025	\$ 20,722	\$ 110,252
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"See accompanying notes and accountants' report."

SEEKHAVEN FAMILY CRISIS CENTER, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2005

	YEAR ENDED JUNE 30, 2005					
	VOCA	SSBG	ALTRIA	UTAH FAMILIES	SHELTER UNRESTRICTED SOURCES	TOTAL PROGRAM EXPENDITURES
FUNCTIONAL EXPENSES:						
Payroll:						
Salaries and wages	\$ 44,025	\$ 904			\$ 31,411	\$ 194,828
Employee benefits	8,865	314			6,722	48,201
Total payroll	\$ 52,890	\$ 1,218	\$...	\$...	\$ 38,133	\$ 243,029
Other:						
Contracted services					\$ 2,535	\$ 20,369
Telephone	\$ 480					3,641
Utilities						7,179
Supplies	889				19	14,249
Conference and workshops	776					4,053
Travel					144	1,470
Postage	35				2	606
Repairs and Maintenance				\$ 104	235	13,504
Advertising and printing					256	1,109
Interest					1,971	1,971
Insurance					1,942	8,563
Fund raising					5,899	5,899
Donations in kind					27,160	27,160
Miscellaneous					1,338	2,276
Total other expenses	\$ 2,180	\$...	\$...	\$ 104	\$ 41,501	\$ 112,049
Allocation of depreciation expense	\$ 127	\$...	\$ 3,000	\$ 445	\$ 12,203	\$ 19,150
Total functional expenses	\$ 55,197	\$ 1,218	\$ 3,000	\$ 549	\$ 91,837	\$ 374,228

"See accompanying notes and accountants' report."

SEEKHAVEN FAMILY CRISIS CENTER, INC.
STATEMENT OF CASH FLOW
FOR THE YEAR ENDED JUNE 30, 2005

Cash flow from operating activities:

Increase\decrease) in net assets	\$	61,862
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Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
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Depreciation		19,150
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(Increase)\decrease in operating assets:		
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Accounts receivable		(19,796)
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Increase\decrease) in operating liabilities:		
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Accounts payable		65
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Accrued liabilities		1,958
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Net cash provided\used) by operating activities		\$ 63,239
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Cash flows from investing activities:

Acquisition of property and equipment	\$	(62,941)
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Net cash provided\used) by investing activities		(62,941)
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Cash flows from financing activities:

Payments on debt	\$	(1,249)
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Net cash provided\used) by financing activities		(1,249)
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Net increase\decrease) in cash and cash equivalents	\$	(951)
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Cash and cash equivalents at beginning of year		91,470
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Cash and cash equivalents at end of year	\$	90,519
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"See accompanying notes and accountants' report."

SEEKHAVEN FAMILY CRISIS CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2005

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Background

Seekhaven Family Crisis Center, Inc. was organized on July 1, 1992 as a nonprofit corporation. The purpose for which the corporation was organized is as follows:

- A. To provide and maintain a stable facility for those who have been involved in family crisis situations; a women's shelter for victims of domestic violence; a place of refuge for homeless individuals. The Center is established for only women and children of those involved in these situations.
- B. To contract with the State of Utah or its agencies or any other body for the funding of the facility, the treatment of those individuals involved in the programs and for the administration of the programs.
- C. To establish an ongoing awareness in the community of the types of services available and the added support of a facility that is accessible and available.

Basis of Accounting

- A. Seekhaven Family Crisis Center, Inc. prepares their financial statements on the accrual basis of accounting in accordance with generally accepted accounting principles. Contributions are recorded when received. All contributions are available for unrestricted use unless specifically restricted by donor.
- B. Restricted funds have been established to account for those resources available for use, but expendable only for the purposes specified by the contracts.

Income Taxes

The organization is an exempt organization for Federal income tax purposes under section 501(c)(3) of the Internal Revenue Code and therefore has made no provision for Federal income taxes.

Cash Equivalents

For purposes of the statement of cash flows, Seekhaven Family Crisis Center, Inc., considers all cash and other highly liquid investments with initial maturities of six months or less to be cash equivalents.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Capital Assets

Capital assets (land, building, building improvements and furniture and equipment) are recorded at cost or at estimated fair value at the date of gift. Donated items are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Depreciation is provided using the straight-line method over three to thirty years estimated useful lives of the assets.

Receivables

The balance reported as accounts receivable – state and local government reflects grant and contract revenues due from federal, state and local governments.

2. **FIXED ASSETS**

FIXED ASSETS, AT COST				
	Balance July 1, 2004	Additions	Adjustments and Retirements	Balance June 30, 2005
Land	\$ 40,000			\$ 40,000
Building	160,930			160,930
Building improvements	69,694	\$ 20,489		90,183
Furniture and equipment	41,603	42,452		84,055
Total fixed assets	<u>\$ 312,227</u>	<u>\$ 62,941</u>	<u>\$...</u>	<u>\$ 375,168</u>

ACCUMULATED DEPRECIATION				
	Balance July 1, 2004	Depreciation	Adjustments and Retirements	Balance June 30, 2005
Building	\$ 45,597	\$ 5,364		\$ 50,961
Building improvements	30,657	4,961		35,618
Furniture and equipment	30,477	8,825		39,302
Total accumulated depreciation	<u>\$ 106,731</u>	<u>\$ 19,150</u>	<u>\$...</u>	<u>\$ 125,881</u>

2. **FIXED ASSETS (Continued)**

Provision for depreciation of property and equipment is computed on the straight-line method. Depreciation is based on estimated useful lives of individual units or classes of property. The cost of maintenance and repairs of properties and renewals, which do not involve substantial betterment, are charged to expense as incurred. When an item of property is replaced and a substantial betterment results, the cost of the replaced property is retired and the cost of the new property is capitalized. At the time properties are retired or otherwise disposed of, the cost of the asset and related accumulated depreciation are removed from the accounts. Gains and losses therefrom are reflected in the income statement. A portion of the fixed assets have been purchased with restricted funds and when the assets are no longer used by the Center, may be required to be sent back to the funding agency. The restricted assets are: building improvements of \$60,706 and equipment of \$53,661.

3. **DEPOSITS**

Custodial Credit Risk – Deposits

The custodial credit risk for deposits is the risk that in the event of a bank failure, Seekhaven's deposits may not be recovered. Seekhaven only deposits its funds in qualified depositories. Qualified depositories are any financial institutions whose deposits are insured, up to \$100,000 by a federal agency of the Federal Government.

The deposits in the bank in excess of the insured amount are uninsured and uncollateralized. Seekhaven's deposits at June 30, 2005, were \$90,519. Of these, none were exposed to custodial credit risk as uninsured and uncollateralized.

	Carrying Amount	Bank Balance
Insured (FDIC)	\$ 105,717	\$ 90,519

4. **PENSION PLAN**

As of June 30, 2005, Seekhaven Family Crisis Center, Inc. was not participating in any retirement program.

5. **COMPENSATED ABSENCES**

Compensated absences have not been figured, because Seekhaven Family Crisis Center, Inc. does not provide a plan to compensate employees for these amounts.

6. **NET ASSETS BALANCES**

UNRESTRICTED –

The unrestricted net assets account pertains primarily to amounts that are not designated for specific purposes.

TEMPORARILY RESTRICTED –

The temporarily restricted net assets account pertains to Federal, State and private grants that have been received by the organization. The balance in the account primarily relates to assets purchased by grants that are temporarily restricted and have not fully depreciated.

7. **NOTE PAYABLE**

At June 30, 2005, Seekhaven Family Crisis Center, Inc. had the following note payable totaling \$38,735.

A note payable to Olene Walker Housing Trust Fund was entered into on May 9, 1996. The proceeds were used to purchase a new building for the Center. The terms of the note payable are as follows: Payments are \$268.41 commencing with the 1st day of July 1, 1996 and equal payments due on or before the first day of each month thereafter for a period of thirty years or 360 payments. Interest rate is five-percent (5%) per annum. Principal and interest payments are as follows:

<u>YEAR ENDED</u>	<u>INTEREST</u>	<u>PRINCIPAL</u>	<u>TOTAL</u>
June 30, 2006	\$ 1,905	\$ 1,316	\$ 3,221
June 30, 2007	1,838	1,383	3,221
June 30, 2008	1,768	1,453	3,221
June 30, 2009	1,693	1,528	3,221
June 30, 2010	1,615	1,606	3,221
2011 - 2015	6,756	9,349	16,105
2016 - 2020	4,106	11,999	16,105
2021 - 2024	908	10,101	11,009
	<u>\$ 20,589</u>	<u>\$ 38,735</u>	<u>\$ 59,324</u>

7. **NOTE PAYABLE (Continued)**

Following is the activity for the year of the notes payable or the year ended June 30, 2005.

<u>Note Payable</u>	<u>Note Payable July 1, 2004</u>	<u>New Debt Issued</u>	<u>Debt Retirement</u>	<u>Note Payable June 30, 2005</u>
Olene Walker	\$ 39,984		\$ (1,249)	\$ 38,735
	<u>\$ 39,984</u>	<u>\$...</u>	<u>\$ (1,249)</u>	<u>\$ 38,735</u>

8. **FUND RAISING INFORMATION**

Funds raising revenue and costs have been kept separate in the financial records of the Center. The total expenses for the costs of fund raising in the audit report are reported under the caption Shelter Services. The total fund raising amounts for revenue and expenses are as follows: Fund raising revenue \$20,932 and fund raising expenses \$5,899.

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Board of Directors
Seekhaven Family Crisis Center, Inc.
P.O. Box 729
Moab, Utah 84532

RE: Report on Compliance and on Internal
Control Over Financial Reporting Based
on an Audit of Financial Statements Per-
formed in Accordance With Government
Auditing Standards

We have audited the financial statements of Seekhaven Family Crisis Center, Inc., as of and for the year ended June 30, 2005, and have issued our report thereon dated October 11, 2005. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Center's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Center's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the audit committee, management, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

SMUIN, RICH & MARSING

Sandra, Leil & Marcy

Price, Utah

October 11, 2005